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# The Changing Conditions of the Salt Lake County Apartment Market

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The Salt Lake County apartment market has for years been characterized as a "landlord's" market; demand was pumped up by a record number of baby boomers forming new households, while the supply was held in check by a modest level of apartment construction. But in the last two years the market has changed, a dramatic change as new apartment construction and shifting demographic patterns have combined to create a "renter's market." What are the characteristics of this "renter's market" and what are the short-term and long-term implications for developers, landlords and renters?

## Changing Characteristics of Rental Housing

The most obvious cause for the swift shift in market characteristics has been the record level of new apartment construction in the past several months. Five thousand apartment units have reached the market in the last two years and there are another 6,000 units under construction and due for completion in 1985. This burst of building activity will have long-term consequences beyond just the obvious increase in the supply of rental units; and these consequences will affect the structure of the market as well as the number and type of apartment units required to meet rental housing needs of Salt Lake County.

## New Apartment Construction

Two years ago market conditions along with accelerated tax advantages and declining interest rates combined to create powerful incentives for investing in rental housing. Consequently 2,500 to 3,000 new rental units were completed in both 1983 and 1984. Market conditions have moved from low to high risk as vacancy rates for some apartment projects have risen above 10 percent, and absorption rates have dropped to 10-15 units a month for some new apartment projects. Despite the rising risk developers continue to develop new projects, which will lead to even higher vacancy rates and longer absorption rates.

Market conditions could deteriorate even further if many of the proposed projects are built. There are over 6,000 units in proposed projects and several hundred will likely be built in the next 12 months. These proposed units plus those already under construction could push the total of new apartment units completed in 1985 to over 8,000 units, nearly three times as high as the previous peak year of 1977. Higher vacancy rates and longer absorption rates therefore will be unavoidable for the next several months, or longer.

The possibility of significant overbuilding becomes obvious by comparing the supply of new apartment units to the potential demand for apartments. The completion of over 8,000 apartment units in 1985 will overwhelm the demand for apartments in Salt Lake County, which is estimated to be only 2,500 units annually. The market may be overbuilt by more than 6,000 units in 1985.

### Composition of Rental Units

Besides higher vacancy rates and longer absorption rates, the boom in apartment construction is also changing the composition of apartment units. Historically, duplexes, tri-plexes, and four-plexes have comprised between 10 and 20 percent of total residential construction activity. However, in the past two years their share of the market has dropped substantially. In 1984 duplexes, tri-plexes, and four-plexes accounted for only 4 percent of the county's residential construction activity while large apartment projects (more than 100 units) have come to dominate the market.

The market share of detached single-family housing, another important source of rental housing, is also declining. There were 15,021 single-family homes occupied by renters in 1970 and by 1980 this number had declined to 14,287. Detached single-family homes as a percent of total rental units in Salt Lake County dropped from 32 percent in 1970 to 22 percent in 1980. Supplying rental housing from previously owned housing has become less feasible as the sales price and interest rates have increased, and it is likely the relative importance of single-family housing as a source of rental housing will continue to decline.

The shift in the rental market from single-family homes, duplexes, tri-plexes, and four-plexes to large apartment projects will have long-term consequences for certain market segments, primarily families with children. These types of rental units have traditionally provided rental housing for families but the concentration of construction activity in large apartment projects designed as "adult communities" raises some concern about availability and affordability of rental housing for families with children. Data from the 1980 census shows that 22 percent of all renters in Salt Lake County are families with incomes below $20,000 and at least one child.

### Rental Rates and Affordability

Availability will probably not be as critical as affordability since there are several hundred two-bedroom units under construction that are designed for families with children, but these units will be priced between $400 and $475 a month; most low-to-moderate income families cannot afford $400 a month for housing.

Although high rents for new apartments minimize any direct housing benefits of the apartment boom for many renters, the low-to-moderate income renter will realize some indirect benefits from the stable or lower rents created by the oversupply of apartment units. A survey of several large apartment projects built prior to 1984 shows that in the past 12 months the average rental rates for one- and two-bedroom units have actually declined. The increased market competition among large apartment projects will also exert downward pressure on the rental rates for other types of rental properties, e.g., duplexes, tri-plexes, etc. (Table 1).

Oftentimes, in overbuilt apartment markets, rental rates are effectively reduced by rental concessions. Six months ago rent concessions typically included spa memberships or microwave ovens; but as market competition has increased, concessions have escalated, in some cases, to a month's free rent and a color T.V. unit. A likely corollary of rental concessions is higher tenant turnover, as renters move from one apartment project to another taking advantage of gifts and rent reductions.

### Quality and Size of New Rental Units

The boom in apartment construction has not only stabilized rents but it has also improved the quality of rental housing. Between 1983 and 1985, 13,000 to 14,000 new units will be added to the inventory of rental units, and most of these units are located in apartment projects that include amenities such as a swimming pool, tennis courts, clubhouse, cable T.V., etc. The renter now has a wide choice of high quality units but these high quality units have higher rents, particularly on a square-foot basis.

In order to achieve higher rents per square foot, developers have reduced the size of new apartment units rather than increase the monthly rental rate. Consequently the average one-bedroom unit in an

**Table 1**
**Percent Distribution by Type of Construction in Salt Lake County**

| Year | Duplex | Tri-/Four-Plex | Five Units or Larger[a] | Single Family |
|---|---|---|---|---|
| 1977 | 11.3 | 7.5 | 13.5 | 67.7 |
| 1978 | 9.7 | 5.0 | 13.0 | 72.3 |
| 1979 | 5.9 | 4.5 | 17.1 | 72.5 |
| 1980 | 6.8 | 2.3 | 20.9 | 70 0 |
| 1981 | 6.3 | 2.5 | 12.3 | 78.9 |
| 1982 | 7.4 | 2.2 | 19.7 | 70.7 |
| 1983 | 3.0 | 2.3 | 32.2 | 62.5 |
| 1984 | 2.2 | 1.8 | 65.0 | 31.0 |

[a]Five or more units per building.

Source: *Utah Construction Report*

existing apartment project (built prior to 1984) rents for 47 cents per square foot compared to 55 cents per square foot in a new project. The monthly rental rate, however, is the same $335 per month for both new and existing apartment projects. The higher per square-foot rent is a result of the average square footage dropping from 710 square feet in existing apartment projects to 605 square feet in new apartment projects. The average rent for two-bedroom units has increased from 40 cents per square foot to 45 cents per square foot as the average size dropped from 970 square feet in existing apartment projects to 910 square feet in new apartment projects.

## Structure of the Market

An important characteristic of apartment development in the past two years has been the increased presence of out-of-state developers which has changed the structure of the rental market. Prior to 1983 two builders dominated development of large apartment complexes, and the remainder of the market was spread among several smaller builders developing duplexes to 50-unit projects. Now nearly half of all apartments under construction and over 70 percent of proposed units in Salt Lake County are being built by out-of-state developers. The remaining projects, although built by local developers, are often financed by out-of-state real estate syndicates. Ownership of new units has been dominated by out-of-state investment groups or developers, including four of the top ten rental housing builders in the country, A.G. Spanos Construction, Inc., (California); Gene Branscome Investments, (Texas); Paragon Group, Inc., (Texas); and Robertson Homes, (California). Local ownership of new apartments has become the exception.

The entry into the market by these large out-of-state developers with sophisticated marketing programs has increased competition for existing projects. Large scale advertising campaigns, rent reductions, rent concessions, and well-trained management personnel are standard marketing features for these out-of-state developers; therefore, local landlords and developers will have to adopt similar marketing strategies to prevent higher vacancy rates.

**Demographics and Changing Demand Characteristics**

Coincident with these changing supply characteristics are some less dramatic but nevertheless fundamental changes in the characteristics of demand for rental housing. Demand is determined by demographics, and shifting demographic patterns means fewer young households. In the 1970s people between the ages of 15-34, the prime age for setting up a household, flooded into the housing market buying homes and renting apartments. The annual growth rate in new household formations for this critical age group was an extraordinary 6.75 percent, a growth rate almost entirely explained by the demographics of the baby boom. But the aging of the population has pushed the bulk of the baby boom generation beyond 30 years old. Consequently the apartment market faces a shrinking demand from the 15-34 year age group. Population projections for Salt Lake County indicate that between 1980 and 1990 the annual growth in new household formations for this age group will fall below 2 percent, about one-third the rate of growth of the 1970s.

The annual growth rate for new households is not only declining for the 15-34 year age group, but the growth rate for all new households in Salt Lake County, regardless of the age of the head of household, is projected to drop from 5.75 percent for the 1970s to 3.2 percent during the 1980s. Fewer households, particularly young households, will affect the demand for apartments as well as change the characteristics of renters.

An annual growth rate in households of 3.2 percent will add 7,200 to 7,500 new households to Salt Lake County. National figures show that about 30 percent of all new households rent. Assuming this relationship applies to Salt Lake County the annual demand for apartments in the county will be approximately 2,400 to 2,500. Since the new households will be composed of fewer young households, the demand for rental housing may fall below 2,500 units a year unless a greater number of older households rent.

It is very probably that in the future the average age of renting households will be older. Older households that rent are more likely to be composed of a growing percentage of low-to-moderate income households that are "captives" of the rental market. Census data show that low-to-moderate income households are concentrated in the rental sector and the median income gap between owners and renters is widening. Nationally, in 1970 renters' median income was 65 percent of owner-occupants' median income, and by 1981 it had dropped to 52 percent. Although there are no 1970 data available on median income of renters in Salt Lake County, the 1980 census data show that the median income of renters in the county was 52.8 percent of the median income of owner-occupants ($11,534 for renters compared to $21,809 for owner-occupants).

As rental households come to make up a greater portion of the county's low-to-moderate income households, it will become more difficult for landlords to raise rents without risking higher turnover and vacancy rates. The declining potential for rental increases will lead to a further deterioration of cash flow for most apartment projects as tax shelter opportunities become the major incentive for building new apartments. In fact, some new projects now are proceeding almost entirely on the basis of their tax shelter opportunities. Many of these projects have been financed with a greater use of equity capital through syndicates and limited partnerships to provide adequate profit margins in an era of negative cash flow, i.e., the investment in new apartment projects have been justified on the basis of tax shelter opportunities. But what about the older apartment projects that have relied on cash flow for the return on investment rather than tax shelter opportunities? This segment of the market is dominated by "mom and pop" operations characterized by ownership of only a few generally older rental units with limited amenities. For the next few years the cash flow on these type of units may very well decline as vacancy rates rise and rental rates remain sluggish. For many of these landlords the cash flow on their rental units is an important source of personal income and often represents their retirement income. For this group tax shelter opportunities will not offset the loss in cash flow and as cash flow erodes it will become more difficult to maintain, repair, and upgrade these units – thus further weakening their competitive position in the apartment market.

## Conclusion

The Salt Lake County apartment market is now a "renter's market" characterized by an oversupply of rental units, stable or declining rental rates, rising vacancy rates, and rental concessions. These conditions will mean lower rents for many renters but not all renters. Low income households, particularly families that are "captives" of the rental market, will not participate fully in the benefits of the "renter's market" since the boom in apartment construction has been concentrated in units renting for $335 or more; low income families cannot afford these rates.

The changing characteristics of the market will also affect landlords and developers of rental property. Stable or declining rental rates will reduce the cash flow for many apartments. This is particularly critical for those landlords classified as the "mom and pop" operations. They depend on cash flow to generate the funds necessary to maintain and rehabilitate their rental units; reduced cash flow means deteriorating and less competitive units.

Beyond the "mom and pop" operations the competition created by the entry into the market of large national builders of rental housing will force changes in marketing strategies on local developers of large apartment complexes. Combined with the increased competition and aggressive marketing strategies will be shifting demographic patterns which will lead to slower growth in the demand for rental housing and a market comprised of older households.

**1990 Census Planning Conference**

July 9, 1985, 8:30 a.m. Room 426 State Capitol. For registration and copy of issues paper, please call the State Data Center, 533-5242.

# Utah Business Statistics

| UTAH DATA | Jan. 1985 | Jan. 1984 | % Change from Year Ago | 12 Month Average 1985 | 12 Month Average 1984 | % Chg. |
|---|---|---|---|---|---|---|
| Total Personal Income (seasonally adjusted)(mil. of dol.)(qtly.) | na | 15,591 | na | na | 14,738.8 | na |
| New Corporations (no.) | 517 | 525 | -1.5 | 472.6 | 490.9 | -3.7 |
| New Cars, Truck and Motorhome Sales (no.) | na | 5,676 | na | na | 5,405.1 | na |
| **Agriculture** | | | | | | |
| Average Prices Recorded by Farmers (dol.): | | | | | | |
| Beef Steers and Heifers (cwt)(thous.) | 61.30 | 58.30 | 5.1 | 60.5 | 55.9 | 8.3 |
| Lambs (cwt) | 59.00 | 54.80 | 7.7 | 57.4 | 51.7 | 10.9 |
| Milk Wholesale (cwt) | 13.50 | 13.40 | 0.7 | 12.9 | 12.9 | 0.1 |
| Alfalfa Hay, Baled (per ton)(mid-month price) | 75.00 | 81.00 | -7.4 | 78.3 | 79.5 | -1.5 |
| Cattle Slaughtered (live weight)(thous. of lbs.) | 32,695 | 25,086 | 30.3 | 29,358.6 | 24,361.8 | 20.5 |
| **Construction** | | | | | | |
| Total Construction[1] (thous. of dol.): | 69,300 | 100,700 | -31.2 | 131,483.3 | 315,300.0 | -58.3 |
| Residential | 35,600 | 44,800 | -20.5 | 64,425.0 | 64,933.3 | -0.8 |
| Nonresidential | 26,100 | 37,600 | -30.6 | 38,783.3 | 38,208.3 | 1.5 |
| Public Works and Utilities | 7,500 | 18,300 | -59.0 | 26,225.0 | 212,158.3 | -87.6 |
| Total Permit Construction[2](thous. of dol.): | 75,594.2 | 64,771.8 | 16.7 | 126,170.8 | 94,617.2 | 33.3 |
| Residential | 31,617.9 | 33,766.5 | -6.4 | 66,079.4 | 55,255.9 | 19.6 |
| Nonresidential | 35,273.6 | 22,211.2 | 58.8 | 45,689.5 | 27,843.9 | 64.1 |
| Additions, Alterations and Repairs | 8,702.7 | 8,794.1 | -1.0 | 14,402.0 | 11,517.3 | 25.0 |
| New Dwelling Units (no.) | 692 | 920 | -24.8 | 1,548.6 | 1,241.6 | 24.7 |
| **Employment** | | | | | | |
| Civilian Labor Force (thous.) | 742.0[r] | 695.0 | 6.8 | 724.9 | [illegible] | 4.7 |
| Total Employed Persons | 686.6[r] | 637.6 | 7.7 | 678.1 | 629.9 | 7.7 |
| Unemployed Persons | 55.4[r] | 57.4 | -3.5 | 46.9 | 62.7 | -25.3 |
| Percent Total Labor Force | 7.5 | 8.3 | -9.6 | 6.5 | 9.1 | -28.7 |
| Employees on Nonagricultural Payrolls (thous. of jobs): | 610.7 | 576.3 | 6.0 | 604.1 | 569.1 | 6.2 |
| Manufacturing | 95.3 | 89.3 | 6.7 | 94.6 | 86.2 | 9.8 |
| Mining | 11.2 | 14.2 | -21.1 | 12.5 | 13.9 | -10.3 |
| Contract Construction | 33.2 | 27.0 | 23.0 | 35.5 | 29.1 | 22.0 |
| Transportation, Communication and Utilities | 36.2 | 36.3 | -0.3 | 36.4 | 36.1 | 1.0 |
| Wholesale Trade | 35.1 | 33.6 | 4.5 | 34.9 | 34.2 | 2.0 |
| Retail Trade | 109.0 | 101.1 | 7.8 | 106.8 | 99.7 | 7.1 |
| Finance, Insurance and Real Estate[3] | 30.6 | 28.6 | 7.0 | 30.0 | 28.1 | 6.4 |
| Services[3] | 126.8 | 116.2 | 9.1 | 122.1 | 113.0 | 8.1 |
| Federal Government[4] | 37.8 | 36.4 | 3.8 | 37.5 | 37.1 | 1.2 |
| State Government[4] | 35.8 | 35.1 | 2.0 | 35.1 | 34.4 | 2.3 |
| Local Government[4] | 59.8 | 58.4 | 2.4 | 58.8 | 57.5 | 2.3 |
| Average Weekly Hours: | | | | | | |
| Manufacturing | 39.4 | 40.7 | -3.2 | 40.0 | 39.5 | 1.3 |
| Mining | 43.8 | 43.8 | 0.0 | 43.2 | 41.8 | 3.6 |
| Contract Construction | 36.8 | 37.9 | -2.9 | 38.1 | 37.2 | 2.4 |
| Wholesale Trade | 35.2 | 36.4 | -3.3 | 36.9 | 37.6 | -2.0 |
| Retail Trade | 27.8 | 28.5 | -2.5 | 28.9 | 28.8 | 0.6 |
| Amount of Unemployment Compensation (thous. of dol.) | 10,065.2[r] | 8,386.6 | 20.0 | 5,851.0 | 8,421.9 | -30.5 |
| **Finance** | | | | | | |
| Savings, Savings and Loan Association (mil. of dol.) | 2,358.8 | 1,896.9 | 24.4 | 2,113.0 | 1,808.2 | 16.9 |
| Tax Collections by the State of Utah (thous. of dol.): | | | | | | |
| Total Tax Collections | 44,887.9 | 44,404.6 | 1.1 | 115,260.3 | 93,747.4 | 22.9 |
| Sales and Use Tax | 13,026.2 | 8,624.5 | 51.0 | 41,659.0 | 33,224.4 | 25.4 |
| Motor Fuel Tax | 2,414.2 | 2,596.5 | -7.0 | 6,488.6 | 5,488.3 | 18.2 |
| Individual Income Tax | 17,049.0 | 19,100.6 | -10.7 | 34,490.0 | 30,796.3 | 12.0 |
| Corporation Franchise Tax | 1,712.1 | 1,353.3 | 26.5 | 3,726.5 | 3,026.6 | 23.1 |
| **Production** | | | | | | |
| Net Electric Power Utilized (mil. of kwh) | na | 1,255.8 | na | na | 1,101.9 | na |
| Crude Oil to Refineries (thous. of bbls.) | 4,083.2 | 4,048.4 | 0.9 | 4,234.8 | 4,153.4 | 2.0 |
| Crude Oil (thous. of bbls.) | na | 3,074.1 | na | na | 2,580.2 | na |
| Natural Gas (mil. of cu. ft.) | na | 15,272.6 | na | na | 8,232.8 | na |
| Coal (thous. short tons) | 751 | 1,081 | -30.5 | 1,109.0 | 978.3 | 13.4 |
| Copper (thous. metric tons) (last issue containing copper data) | | | | | | |
| **Tourism/Travel** | | | | | | |
| Air Passengers (total no. on and off)(S.L. Int'l. Airport) | 686,032 | 570,717 | 20.2 | 637,913.2 | 594,527.8 | 7.3 |
| Highway Traffic Count Across State Lines | 24,178 | 25,616 | -5.6 | 33,899.3 | 34,277.8 | -1.1 |
| Transient Room Taxes (thous. of dol.) | 35.9 | 62.1 | -42.2 | 383.0 | 322.3 | 18.8 |
| Visits, State, Nat'l. Parks, Monuments (thous.) | 258.8 | 194.9 | 32.8 | 919.6 | 938.8 | -2.0 |
| **Utilities** | | | | | | |
| Telephone Lines in Service (Mt. Bell)(residential) | 459,765 | 451,624 | 1.8 | 452,937.4 | 444,310.0 | 1.9 |
| Telephone Lines in Service (Mt. Bell)(nonresidential) | 165,216 | 157,712 | 4.8 | 163,262.0 | 151,636.2 | 7.7 |
| Electric Customers (residential) | 436,584 | 426,719 | 2.3 | 427,033.8 | 407,209.8 | 4.9 |
| Electric Customers (commercial) | 42,187 | 41,254 | 2.3 | 41,602.6 | 38,932.8 | 6.9 |
| Natural Gas Customers (residential & commercial) | 423,736 | 412,257 | 2.8 | 412,626.8 | 403,318.9 | 2.3 |
| Natural Gas Customers (industrial) | 522 | 521 | 0.2 | 526.2 | 534.0 | -1.5 |

# Utah Business Statistics

| | Jan. 1985 | Jan. 1984 | % Change from Year Ago | 12 Month Average 1985 | 12 Month Average 1984 | % Chg. |
|---|---|---|---|---|---|---|
| **Davis County** | | | | | | |
| Non-Ag. Employment (thous.) | 49.6 | 46.5 | 6.7 | 49.2 | 46.3 | 6.4 |
| Unemployment Rate | 5.0[r] | 6.5 | -23.1 | 4.6 | 7.0 | -34.9 |
| Auth. Permit Construction (thous. of dol.) | 6,760.0 | 4,263.1 | 58.6 | 11,897.4 | 9,981.6 | 19.2 |
| New Dwelling Units (no.) | 81 | 66 | 22.7 | 186.8 | 162.5 | 14.9 |
| Postal Receipts[5] (thous. of dol.) | 291.0 | 306.6 | -5.1 | 329.1 | 320.4 | 2.7 |
| Electric Customers (residential) | 32,096 | 30,333 | 5.8 | 30,973.3 | 29,635.6 | 4.5 |
| Electric Customers (commercial) | 2,400 | 2,304 | 4.2 | 2,343.5 | 2,267.1 | 3.4 |
| Natural Gas Customers (residential) | 43,738 | 42,252 | 3.5 | 42,465.3 | 40,918.4 | 3.8 |
| Natural Gas Customers (industrial) | 46 | 44 | 4.5 | 45.3 | 44.7 | 1.3 |
| Telephone Lines in Service (Mt. Bell)(residential) | 38,646 | 37,446 | 3.2 | 38,044.7 | 37,479.2 | 1.5 |
| Telephone Lines in Service (Mt. Bell)(nonresidential) | 7,400 | 6,620 | 11.8 | 6,996.8 | 6,503.3 | 7.6 |
| **Salt Lake County** | | | | | | |
| Non-Ag. Employment (thous.) | 319.1 | 301.3 | 5.9 | 315.3 | 296.7 | 6.2 |
| Unemployment Rate | 6.9[r] | 7.5 | -8.0 | 6.2 | 8.5 | -27.4 |
| Auth. Permit Construction (thous. of dol.) | 42,087.8 | 40,994.6 | 2.7 | 63,909.2 | 43,771.5 | 46.0 |
| New Dwelling Units (no.) | 281 | 654 | -57.0 | 919.3 | 619.3 | 48.4 |
| Postal Receipts[5] (thous. of dol.) | 5,722.0 | 6,213.2 | -7.9 | 6,525.6 | 6,007.7 | 8.6 |
| Electric Customers (residential) | 221,285 | 215,165 | 2.8 | 216,715.4 | 201,775.8 | 7.4 |
| Electric Customers (commercial) | 18,328 | 17,754 | 3.2 | 17,989.3 | 15,955.7 | 12.7 |
| Natural Gas Customers (residential) | 205,076 | 198,526 | 3.3 | 199,234.1 | 192,918.7 | 3.3 |
| Natural Gas Customers (industrial) | 238 | 238 | 0.0 | 237.9 | 243.8 | -2.4 |
| Telephone Lines in Service (Mt. Bell)(residential) | 215,168 | 211,074 | 1.9 | 212,321.7 | 208,084.3 | 2.0 |
| Telephone Lines in Service (Mt. Bell)(nonresidential) | 108,196 | 104,224 | 3.8 | 107,632.8 | 99,599.5 | 8.1 |
| **Utah County** | | | | | | |
| Non-Ag. Employment (thous.) | 70.2 | 65.3 | 7.5 | 68.7 | 64.5 | 6.6 |
| Unemployment Rate | 7.8[r] | 9.1 | -14.3 | 6.8 | 9.2 | -26.0 |
| Auth. Permit Construction (thous. of dol.) | 5,588.4 | 3,178.0 | 75.8 | 13,443.1 | 10,595.7 | 26.9 |
| New Dwelling Units (no.) | 40 | 56 | -28.6 | 108.9 | 105.2 | 3.6 |
| Postal Receipts[5] (thous. of dol.) | 715.2 | 673.0 | 6.3 | 815.0 | 771.2 | 5.7 |
| Electric Customers (residential) | 49,201 | 49,099 | 0.2 | 47,232.1 | 46,023.6 | 2.6 |
| Electric Customers (commercial) | 5,645 | 5,646 | .0 | 5,540.8 | 5,304.3 | 4.5 |
| Natural Gas Customers (residential) | 59,194 | 57,585 | 2.8 | 57,533.8 | 56,049.5 | 2.6 |
| Natural Gas Customers (industrial) | 65 | 63 | 3.2 | 66.0 | 65.8 | 0.4 |
| Telephone Lines in Service (Mt. Bell)(residential) | 61,957 | 61,502 | 0.7 | 60,552.9 | 59,718.3 | 1.4 |
| Telephone Lines in Service (Mt. Bell)(nonresidential) | 14,727 | 13,514 | 9.0 | 14,437.9 | 13,128.5 | 10.0 |
| **Weber County** | | | | | | |
| Non-Ag. Employment (thous.) | 54.9 | 51.2 | 7.2 | 53.6 | 50.4 | 6.3 |
| Unemployment Rate | 7.4[r] | 9.8 | -24.5 | 6.8 | 10.1 | -33.4 |
| Auth. Permit Construction (thous. of dol.) | 4,160.2 | 5,530.6 | -24.8 | 11,331.5 | 8,340.6 | 35.9 |
| New Dwelling Units (no.) | 46 | 40 | 15.0 | 72.3 | 81.8 | -11.6 |
| Postal Receipts[5] (thous. of dol.) | 471.9 | 491.7 | -4.0 | 577.6 | 552.4 | 4.6 |
| Electric Customers (residential) | 50,469 | 50,006 | 0.9 | 50,090.6 | 49,310.3 | 1.6 |
| Electric Customers (commercial) | 4,496 | 4,419 | 1.7 | 4,481.4 | 4,381.9 | 2.3 |
| Natural Gas Customers (residential) | 47,150 | 46,364 | 1.7 | 46,307.8 | 45,472.8 | 1.8 |
| Natural Gas Customers (industrial) | 74 | 75 | -1.3 | 76.5 | 80.1 | -4.5 |
| Telephone Lines in Service (Mt. Bell)(residential) | 44,839 | 44,485 | 0.8 | 44,553.6 | 43,505.8 | 2.4 |
| Telephone Lines in Service (Mt. Bell)(nonresidential) | 10,287 | 10,058 | 2.3 | 10,215.3 | 9,715.4 | 5.1 |

Sources:
Personal Income: Bureau of Economic Analysis, U.S. Department of Commerce
New Corporations: Utah Secretary of State
New Cars and Truck Sales: Utah State Tax Commission, Economic and Statistical Unit
Agriculture: U.S. Department of Agriculture, Agriculture, Utah: Utah Crop and Livestock Reporting Service (U.S. Department of Agriculture)
Construction Data: F.W. Dodge and Utah Construction Report
Employment Data: Utah Department of Employment Security
Savings, Savings and Loan Associations: Utah Savings and Loan Institutions
Tax Collections: Utah State Tax Commission
Net Electric Power Utilized: Cooperating Utah power companies
Crude Oil: Area oil refineries
Natural Gas: Utah Division of Oil, Gas, and Mining
Coal: Department of Energy
Air Passengers: Salt Lake International Airport, Statistics Service
Highway Traffic Count: Utah Department of Transportation, Travel Analysis Unit
Visits to State and National Parks and Monuments: U.S. Forest Service, Utah State Parks and Recreation Department
Utilities Data: Cooperating Utah utility companies
Postal Receipts: Postmasters in Davis, Salt Lake, Utah, and Weber Counties

Footnotes:
[1] Obtained from F.W. Dodge Statistics
[2] Obtained from Utah Construction Report
[3] Includes services by nonprofit and religious institutions
[4] Includes public schools and colleges institutions

[5] Postal receipts are reported every four weeks. Sales report for one month during each year includes total sales of two four-week periods. In 1984, this double-reporting occurred in the month of August.

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# NATIONAL DATA

| | Jan. 1985 | Jan. 1984 | % Change from Year Ago | 12 Month Average 1985 | 12 Month Average 1984 | % Chg. |
|---|---|---|---|---|---|---|
| U.S. Gross National Product[1] (seasonally adjusted)(bil.)(qtly.) | na | 3,553.3 | na | na | 3,336.4 | na |
| Total Personal Income[1] (seasonally adjusted)(bil. of dol.) | 3,130.1 | 2,897.4 | 8.0 | 3,032.2 | 2,764.1 | 9.7 |
| Industrial Production Indexes (seasonally adjusted)(1967=100) | 166.6 | 158.5 | 5.1 | 164.0 | 149.3 | 9.8 |
| Total Bus. Expend. for New Plants & Equip.[1] (bil.)(qtly.) | 337.9[a] | 293.2 | 15.2 | 311.3 | 271.9 | 14.5 |
| Index of Leading Indicators[2] (1967=100) | 166.7 | 164.5 | 1.3 | 165.9 | 157.8 | 5.1 |
| **Price Indexes** | | | | | | |
| Consumer Price Indexes (not seasonally adjusted)(1967=100): | | | | | | |
| CPI-U (All Urban Consumers) All Items | 316.1 | 305.2 | 3.6 | 312.0 | 299.4 | 4.2 |
| CPI-U (All Urban Consumers) Food & Beverages | 299.3 | 291.6 | 2.6 | 295.7 | 285.3 | 3.7 |
| CPI-U (All Urban Consumers) Housing | 342.0 | 329.2 | 3.9 | 337.6 | 324.0 | 4.2 |
| CPI-U (All Urban Consumers) Transportation | 314.7 | 306.0 | 2.8 | 312.4 | 299.5 | 4.3 |
| CPI-U (All Urban Consumers) Medical Care | 391.1 | 369.5 | 5.8 | 381.3 | 359.1 | 6.2 |
| CPI-U (All Urban Consumers) Energy | 414.5 | 416.7 | -0.5 | 423.4 | 419.5 | 0.9 |
| Producer Price Index (not seasonally adjusted)(1967=100): | | | | | | |
| Producer Price Index, All Finished Goods | 292.7 | 289.5 | 1.1 | 291.4 | 285.6 | 2.0 |
| GNP Price Deflator (1972=100)(qtly.) | na | 220.6 | na | na | 216.0 | na |
| **Employment (seasonally adjusted):** | | | | | | |
| Civilian Labor Force (mil.) | 114.9 | 112.2 | 2.4 | 113.8 | 111.6 | 1.9 |
| Total Employed Persons (mil.) | 106.4 | 103.2 | 3.1 | 105.3 | 101.2 | 4.1 |
| Unemployment Rate | 7.4 | 8.0 | -7.5 | 7.5 | 9.4 | -20.6 |
| **Construction:** | | | | | | |
| Total Construction (mil. of dol.) | 14,810.2 | 14,023.0 | 5.6 | 17,671.0 | 16,326.2 | 8.2 |
| Residential | 6,353.8 | 6,809.3 | -6.7 | 8,390.9 | 7,949.2 | 5.6 |
| Nonresidential | 5,528.1 | 5,295.4 | 4.4 | 6,163.3 | 5,256.9 | 17.2 |
| Non-Building | 2,928.3 | 1,918.3 | 52.7 | 3,116.8 | 3,141.1 | -0.8 |
| New Dwelling Units (no.) | 109,583 | 126,947 | -13.7 | 144,758.7 | 146,533.3 | -1.2 |
| **Interest Rates:** | | | | | | |
| Short Term (3-month Treasury Bill rate) | 7.76 | 8.93 | -13.1 | 9.5 | 8.7 | 8.8 |
| Long Term (30-year Treasury Bond yields) | 11.15 | 11.29 | -1.2 | 12.0 | 11.0 | 9.1 |
| Prime Rates Charged by Banks on Short-term Business Loans (ave.) | 10.61 | 11.00 | -3.5 | 12.0 | 10.8 | 11.4 |
| Mortgage Rates (new homes) | 11.76 | 11.80 | -0.3 | 11.9 | 12.1 | -1.9 |

[p]Preliminary [r]Revised na - Not available [a]Anticipated [ra]Revised Anticipated [e]Expected [f]Forecasted

FOOTNOTES:

[1]The series based wholly or in part on national income and product account (NIPA) data have been revised by the Bureau of Economic Analysis for the period 1981 to date to reflect the incorporation of new source data. Further information concerning these revisions may be obtained from the U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Wealth Division.

[2]Missing Series 36.

Sources:

Business Conditions Digest, U.S. Department of Commerce: U.S. Gross National Product, Total National Personal Income, Industrial Production Indexes, Total Business Expenditures for New Plant and Equipment, Index of Leading Indicators, GNP Price Deflator, National Employment Data, Interest Rates.

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